GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3033
ANSWERED ON:18.12.2008
OVER-INVOICING BY PHARMACEUTICAL COMPANIES
Bangaru Smt. Susheela Laxman;Muqueem Shri Mohammed

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether a number of pharmaceutical companies are importing drug intermediates/finished formulations from abroad;

(b) if so, whether these companies are involved in over-invoicing;

(c) if so, the names of companies, their products and the amount overcharged;

(d) whether the Government proposes to investigate the import details of these drug intermediates/finished formulations and their selling price in India; and

(e) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF STATE IN THE MINISTRY OF MINES (SHRI B.K.HANDIQUE)

(a): Yes Sir.

(b) and (c): National Pharmaceutical Pricing Authority (fMPPA) has come across one such case of suspected over invoicing which has been referred to Income Tax Department for further investigation.

(d) and (e): Whenever, specific cases of over invoicing, selling scheduled imported formulations at a price higher than the notified price or without price approval are noticed by NPPA, action is taken against such companies as per the provisions of DPCO 1995 read with Essential Commodities Act 1955.